

2022 UCaaS and CCaaS Market Trends Study: Streamlined Approach as Important as Security and Business Continuity



SIP Trunking, Bundled Services, and Integration Are Critical as Hybrid Work Gains Traction

As the way we work has changed to a more remote and hybrid model, enterprises are finding that unified-communications- and contact-center-as-a-service (UCaaS/CCaaS) offerings are more essential than ever. And they want to standardize their UCaaS/CCaaS services by using bundled solutions and integration to bring together just about everything — from the audio and video communications tools that are now ubiquitous on user desktops to the IT systems and CRM and ERP applications that employees and contact center personnel rely on every day.

These are some of the top-level findings from a survey of more than 200 senior IT decision-makers at U.S.-based multinational enterprises with an average revenue of \$3.7 billion. Nearly half of the respondents (47%) have already implemented UCaaS, CCaaS, or both, with nearly all of them (97%) citing trends in remote and hybrid work models accelerating their interest.

The respondents to the survey, conducted by Foundry on behalf of Masergy, reported that more than half of employees now work remotely at least some of the time. Given that, 88% of the respondents said it's "critical" or "very important" that their UCaaS/CCaaS solution be able to integrate with their other communications systems. In fact, three-quarters of the respondents reported that their use of Microsoft Teams® has increased.

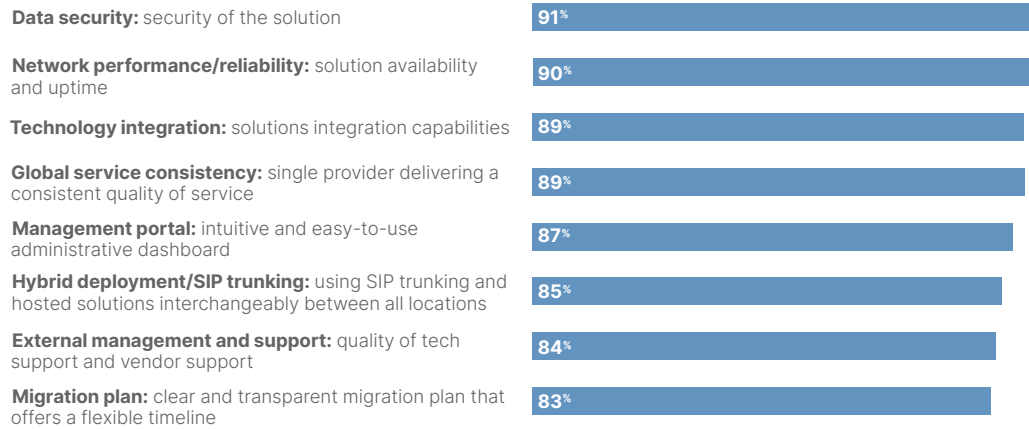
It's not surprising that concern about avoiding UCaaS/CCaaS downtime is also on the rise. Nine in 10 respondents said such downtime would be either "highly concerning" (58%) or "detrimental to their business" (32%, up from 22% in the same survey in 2020).

"Ultimately, all paths lead to UCaaS and CCaaS making businesses more resilient and efficient in achieving their goals," says Rudy Tibuni, director of Cloud Communications Product Management at Masergy. "Companies implemented a menagerie of collaboration applications and cloud services in the pursuit of hybrid work, but now those need to be consolidated and standardized in order to remove the IT complexity of facilitating digital interactions across distributed workforces."

Drivers for UCaaS and CCaaS: IT flexibility

Increasing flexibility and productivity surfaced as the top drivers respondents cited for adopting UCaaS/CCaaS. In first place — perhaps a nod to the fact that all respondents were senior IT executives — was increasing IT flexibility and agility, cited by 41%.

The Most Critical Aspects of Successful UCaaS/CCaaS Deployments



62%

find it “very” or “extremely” challenging to meet security objectives.

Modern UCaaS/CCaaS solutions give users greater freedoms, particularly when it comes to user self-service, working from anywhere, and freeing IT teams of the responsibilities of software upgrades and on-premises equipment. “Before, UCaaS/CCaaS solutions could generate a lot of maintenance projects for IT, but now there are built-in features and fully managed services,” says Shawn Cooke, senior product specialist with Masergy.

Other drivers include improving productivity via better collaboration (27%) and modernizing communications tools and technologies (17%), which goes hand-in-hand with the first two drivers: Increasing flexibility and productivity.

Elements for success: integration breaks into top tier

In terms of ensuring that UCaaS/CCaaS solutions deliver on business goals, the sands are shifting since the 2020 survey was conducted, with integration now rising in importance.

Two years ago, data security, network performance/reliability, and external management and support were the top three criteria for ensuring that UCaaS/CCaaS solutions delivered on business goals. Fast-forward to 2022, and data security still tops the list, with 91% of the respondents saying it’s critical or very important. Network performance and reliability, leading to solution availability and uptime, are second, at 90%. But technology integration is now a close third, at just under 90% (see Figure 1). Integration is crucial because, for UCaaS/CCaaS to work well, it must function as an ecosystem, cross-ing collaboration, customer service, connectivity, and security.

UCaaS and CCaaS challenges

More than half of the respondents find it highly challenging to achieve these critical elements for success. Not surprisingly, security tops the list of challenges, with 62% finding it “very” or “extremely” challenging to meet security objectives; however, this is down eight points from two years ago. Achieving this goal extends into long-challenging efforts to secure data at rest and in transit, effectively apply encryption and firewall policies without introducing a drag on network performance, meet regulatory and privacy compliance requirements, and more.

Ensuring network performance and reliability likewise remains a challenge, cited by 53% of the respondents in 2022, down only four points from two years ago. Certainly, the requirement for a high level of performance and reliability has only increased along with the number of employees working from home.

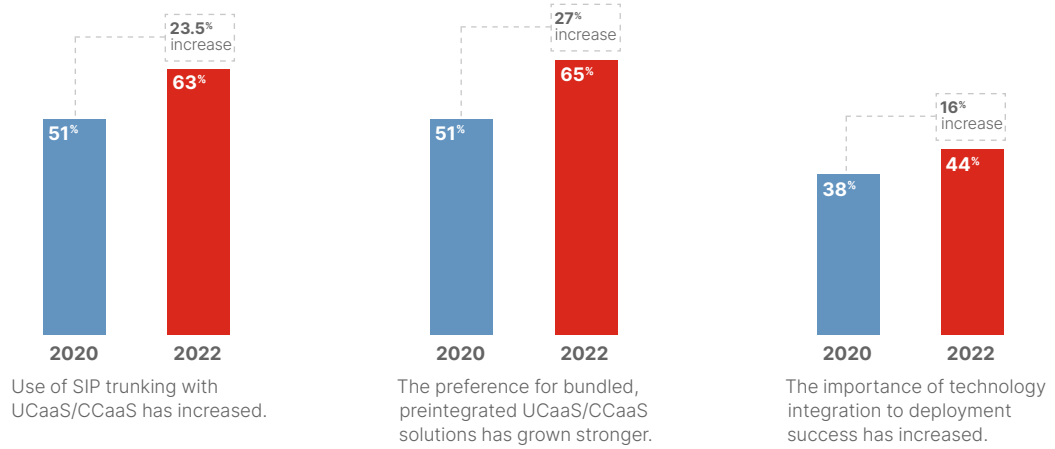
Although companies can deploy UCaaS/CCaaS by using “over the top” internet services, that won’t guarantee quality, reliable performance at sites around the globe. “Companies need a single software-defined autonomous network, completely standardized from stem to stern with service-level agreements [SLAs] that include less than one milli-second of jitter,” Cooke says.

Nearly all the survey respondents (85%) were in agreement that having a managed network service, with performance monitored and managed 24x7, is either critical or very important for their UCaaS/CCaaS implementation (See Figure 3).

But it was integration that saw the biggest change since 2020. It has increased in importance by 16% in two years, one of only two issues that went up in importance in the 2022 survey (See Figure 2). But just as many respondents — 57% — find it difficult to meet the integration challenge today as in the 2020 survey.

FIGURE 2

Consolidation Reduces Complexity



91%
 rated Microsoft Teams® for voice/PSTN services as critical or very important.

SIP trunking on the rise

Along with integration, Session Initiation Protocol (SIP) trunking, a type of integration tool, is the other technology that increased in importance. When the respondents were asked about features and capabilities ensuring a successful UCaaS/CCaaS deployment, 38% of them cited SIP trunking, versus 32% two years ago. Likewise, the use of it with UCaaS/CCaaS has increased over the past two years (63%, versus 51% in 2020) — see Figure 2.

SIP trunking has multiple advantages:

- “Bring your own carrier” options, so customers can standardize their communications application platform and then choose the carrier they want to provide their public-switched-telephone-network (PSTN) connectivity
- “Hybrid solutions” (deployed both on-premises and in the cloud) for a phased approach to the cloud migration, transitioning one location/system at a time when legacy private branch exchange (PBX) systems are ready to be replaced
- Support for an unlimited number of Internet Protocol (IP)-based voice or video calls, enabling customers to size the trunks based on expected concurrent call volume
- Cost management for calling services, including those built into videoconferencing services (Consider that the vast majority of the respondents prioritize the enablement of Microsoft Teams for voice/PSTN services, with 91% rating it as critical or very important.)

At the same time, with a global carrier, SIP trunks enable collaboration both inside and outside the business, with users anywhere. Such a setup can also deliver higher call quality and reliability — thus helping address the downtime issue that 90% of the survey respondents cited.

“SIP trunking saves companies money through consolidation, standardization of rates and dial plans, bundled service packages, and improved reliability,” Masergy’s Cooke says. The strategy also enables great versatility in calling plans. An automaker in Detroit that’s collaborating with a German counterpart can buy a local line in Bavaria, for example.

Bundled solutions preferred

The survey likewise unearthed a rising preference for bundled UCaaS/CCaaS services.

Asked to name their choice between integrating services from multiple providers — including UCaaS/CCaaS, SIP trunking, and network services — versus a preintegrated solution from a single provider, nearly two-thirds (65%) gave the nod to the bundled option. That’s up 14 points from the 51% who chose the bundled route in the 2020 survey. Fewer than one-third (31%) said they’d prefer to integrate multiple providers, and the rest (4%) had no preference.

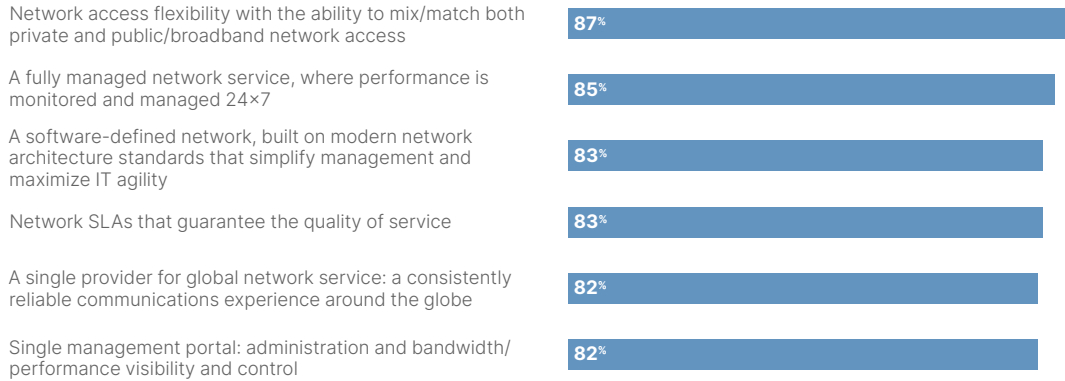
Respondents were given the opportunity to provide open-ended responses as to why they preferred a bundled solution. A few themes dominated those answers, namely:

- Easier maintenance and management
- Easier integration with other solutions
- Cost savings/affordability
- Easier identification and/or remediation of issues
- Single point of contact/fewer vendors to manage
- Better reliability/performance

FIGURE 3

85% Consider a Fully Managed Solution to Be Highly Important

76%
rated all six options as either “critical” or “very important.”



The integration imperative

As noted previously, the ability to integrate with communications systems such as Teams, Webex®, and Zoom® is the most critical UCaaS/CCaaS solution feature among the survey respondents for making a purchase decision. Integration is also crucial to reducing complexity for IT, which already has too many tools, vendors, and dashboards to manage. Companies are turning to UCaaS/CCaaS for the simplicity of one solution that works with what they already have.

Masergy Product Specialist Lawrence Sanders argues that UCaaS and CCaaS systems themselves are on a path to merge into one. “The world of having separate UCaaS and CCaaS systems and providers is going by the wayside,” he says. Customers want a unified view of reporting and analytics. And from a functional perspective, it’s actually imperative.

“If someone calls into a contact center and the agent needs to get ahold of Bill in Finance but Bill isn’t part of the contact center, the company loses visibility into that part of the call,” he says. The call center agent needs to be able to see into the UCaaS solution Bill is using, notably the presence capability, to see whether he’s available.

And from a billing perspective, the company needs to know if a customer called the contact center five times and was referred to Finance each time. “Is that five transactions or 10? How much did those transactions cost as a whole?” Sanders asks. “Well, if there are two disparate products, no one knows.”

Integration should continue with UCaaS/CCaaS embedded into a secure software-defined network that spans the globe, adds Sanders. Asked what they deemed important in terms of a network service to support their UCaaS/CCaaS solution, respondents were demanding. More than three-quarters rated all six options as either “critical” or “very important” (see Figure 3).

Masergy: One partner for collaboration

Masergy has a consolidated solution addressing each of these demands, Sanders says. It starts with a fully managed UCaaS and CCaaS solution uniting cloud collaboration applications, SIP trunking, PSTN and Voice over Internet Protocol (VoIP) services, and secure network connectivity into one managed service that includes 24x7 monitoring and first-call resolution. In short, Masergy acts as an extension of your IT team and is always available for questions and consultation.

A plethora of options is also available — from Microsoft Teams calling services and Webex applications to traditional dedicated access via Masergy’s global software-defined network with AI capabilities to troubleshoot and help find the optimal network traffic routes.

Acquired by Comcast Business in 2021, Masergy understands the importance of digital experiences, especially in the changing enterprise environment with so many employees working from anywhere. You need a partner whose business is built on modern, secure networking platforms that provide security solutions, resilience, and business continuity.

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